

Message Text

CONFIDENTIAL

PAGE 01 JAKART 07766 270754Z

12-R
ACTION SP-02

INFO OCT-01 ISO-00 /003 W
----- 074947
R 270605Z JUN 75
FM AMEMBASSY JAKARTA
TO SECSTATE WASHDC 8934

C O N F I D E N T I A L JAKARTA 7766

STADIS//////////

FOR WINSTON LORD S/P

EO 11652: GDS
TAGS: PFOR EGEN ID
SUBJ: CHALLENGE OF DEVELOPING COUNTRIES

REF: STATE A-3627

1. WE FIND STUDY OF DEVELOPING COUNTRIES DEMANDS FOR
POWER AND PARTICIPATION FORWARDED UNDER REFERENCE TO BE
EXCELLENT PRESENTATION OF PROBLEM. OUR COMMENTS DO NOT
INVOLVE DIFFERENCES WITH BASIC ANALYSIS.

2. WE SUGGEST STUDY SHOULD GIVE MORE ATTENTION TO
LONGER RANGE IMPLICATIONS OF FAST POPULATION GROWTH IN
MANY LDC'S AND DOOMSDAY PREDICTIONS THAT IF FOOD PRO-
DUCTION AND EMPLOYMENT DO NOT KEEP UP WITH SOARING
POPULATION, LARGE SCALE CATASTROPHE WILL OCCUR IN NEXT
HALF CENTURY. RAPID POPULATION INCREASE AND LAG IN
DEVELOPMENT IS ALREADY GENERATING MORE ANTI US FEELING,
WHICH MAKES PROBLEM OF US-LDC MORE URGENT THAN MOST
AMERICANS REALIZE. WHAT ARE IMPLICATIONS OF POPULATION/
DEVELOPMENT FOOD EQUATION FOR US, POLITICALLY,
ECONOMICALLY AND SECURITY WISE?

3. WE BELIEVE STUDY COULD ALSO BE STRENGTHENED BY
FURTHER ANALYSIS OF "SOLIDARITY" AMONG LDC'S. SOLIDARITY
IS BUILT ON COMMON EMOTIONAL OUTLOOK TOWARD WORLD
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 JAKART 07766 270754Z

ECONOMIC SITUATION WHICH HAS GREATER DEGREE OF POLITICAL

FORCE THAN MANY IN US MAY RELAIZE.

4. OPEC EXPERIENCE IN SUCCESSFULLY CHALLENGING POWERFUL DEVELOPED NATIONS HAS GIVEN SUDDEN OPPORTUNITY TO LONG PENT-UP FEELING THAT LDC'S HAVE BEEN PURPOSELY DISADVANTAGED BY WORLD ECONOMIC SYSTEM, MULTINATIONAL CORPORATION, AND COLONIALISM. NO LDC POLITICAL LEADER CAN APPEAR TO BE OPPOSING THIS NEW THRUST. CONSEQUENTLY, LEADERS FREEDOM OF ACTION IN INTERNATIONAL GATHERINGS IS SEVERELY LIMITED AS LONG AS EMPHASIS IS ON QUESTION OF INEQUITY BETWEEN DEVELOPING AND DEVELOPED. WHILE BALANCE OF SUPPORT FOR POLITICAL ISSUES OF INTEREST TO SPECIAL GROUPS IS CERTAINLY ONE FACTOR, IT IS, AS SEEN FROM INDONESIA, LESS IMPORTANT THAN SUDDEN FEELING THAT MASTERY OF DEVELOPED COUNTRIES OVER LIVES OF LESS FORTUNATE CAN BE BROKEN.

5. STUDY SHOULD, IN OUR VIEW, ALSO FACE UP TO PROBLEM OF LACK OF CONFIDENCE IN US. OR EFFORTS TO POINT OUT REALISTIC DIFFICULTIES IN IMPLEMENTING PROPOSALS FROM THIRD WORLD ARE SEEN, EVEN BY MODERATES, AS EFFORTS TO BREAK THRUST OF THEIR DEMANDS. IN OUR VIEW, OUR MAJOR CURRENT PROBLEM AT PRESENT IS NOT SO MUCH IN FACING SUBSTANCE OF DEMANDS BUT IN CONVINCING AT LEAST MODERATE DEVELOPING NATIONS THAT WE ARE SINCERELY INTERESTED IN IMPROVING THEIR LOT BUT FIND VERY REAL PROBLEMS WITH SOME OF THEIR PROPOSALS.

6. GIVEN FOREGOING COMMENT, WE BELIEVE THAT OUR IMMEDIATE STRATEGY SHOULD CONCENTRATE ON ESTABLISHING DEGREE OF CONFIDENCE IN US ON WHICH BASIS WE CAN ULTIMATELY DISCUSS REALISTICALLY SPECIFICS OF ISSUES INVOLVED. THIS PROCESS ALREADY BEGUN BY SECRETARY'S SPEECHES AND BY BILATERAL CONSULTATIONS WHICH WE AND OTHERS HAVE BEEN AUTHORIZED TO CONDUCT.

7. NEXT STEP SHOULD BE SPECIFIC POLICY INITIATIVES. PERHAPS MOST FRUITFUL AREAS FOR PROGRESS IS COMMODITY STABILIZATION THAT WOULD BENEFIT BOTH CONSUMERS AND SUPPLIERS. THIS WOULD BE "ACCOMMODATION APPROACH",
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 JAKARTA 07766 270754Z

PERHAPS COUPLED WITH "CARROT AND STICK APPROACH" IF STOCKPILE ARRANGEMENTS BY US AND CONSUMER NATIONS-- AS GUARANTOR THAT PRICE CEILINGS WOULD NOT BE BREACHED-- WOULD BE FEASIBLE.

8. IN OUR VIEW, US GOVERNMENT EFFORTS NEED TO BE SUPPLEMENTED BY OTHER VOICES NOT CLEARLY ASSOCIATED WITH US GOVERNMENT OR WITH MULTINATIONAL CORPORATIONS.

WE SUGGEST CONSIDERATION F TWO TECHNIQUES DESIGNED TO
DEMONSTRATE SINCERE US INTEREST AND AT SAME TIME
DEMONSTRATE COMPLEXITIES OF SPECIFIC ISSUES.

A. ENCOURAGEMENT OF PRESTIGIOUS NON-GOVERNMENTAL
ORGANIZATIONS IN UNITED STATES, EUROPE AND JAPAN TO
HOLD CONFERENCES ON PROBLEMS ASSOCIATED WITH DEMAND
FOR NEW ECONOMIC ORDER TO WHICH KEY PEOPLE FROM BOTH
DEVELOPING AND DEVELOPED NATIONS WILL BE INVITED. ONE
SUCH GATHERING HAS ALREADY BEEN HELD IN HOLLAND BUT
APPEARS TO HAVE BEEN CLEARLY SLATED IN FAVOR OF
DEVELOPING COUNTRIES. PRESENT, OR BETTER YET, EXPANDED US
EXCHANGE PROGRAMS COULD BE USED TO BRING APPROPRIATE FOREIGN
LEADERS (GOVERNMENT AND PRIVATE) TO PARTICIPATE IN SUCH
CONFERENCES AND, IN ADDITION, TO BE IN TOUCH WITH
PRIME US POLICY SOURCES.

B. APPOINTMENT BY PRESIDENT FORD OF HIGH LEVEL
COMMISSION TO STUDY US RESPONSE TO NEW ECONOMIC ORDER.
SUCH COMMISSION TO BE EFFECTIVE SHOULD INCLUDE PARTI-
CIPATION BY PROMINENT ACADEMICIANS, BUSINESSMEN, LABOR
LEADERS, MINORITY REPRESENTIVES, AS WELL AS OFFICIALS
FROM GOVERNMENT. ITS MANDATE SHOULD INCLUDE AUTHORITY
AND FUNDS TO PROVIDE FOR CONSULTATION WITH KEY FIGURES
IN DEVELOPING WORLD. NEWSOM

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LESS DEVELOPED COUNTRIES, ECONOMIC DEVELOPMENT, STUDIES
Control Number: n/a
Copy: SINGLE
Draft Date: 27 JUN 1975
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975JAKART07766
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750222-1048
From: JAKARTA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750610/aaaaairj.tel
Line Count: 139
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION SP
Original Classification: CONFIDENTIAL
Original Handling Restrictions: STADIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: STADIS
Reference: 75 STATE A-3627
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 16 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 JUL 2003 by CunninFX>; APPROVED <17 NOV 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CHALLENGE OF DEVELOPING COUNTRIES
TAGS: ECIN, ID, US
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006